

Vote Finance

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Finance (M31), Minister for Infrastructure (M80)

ADMINISTERING DEPARTMENT: The Treasury

MINISTER RESPONSIBLE FOR THE TREASURY: Minister of Finance

Details of Appropriations

Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2010/11		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Administration of Crown Borrowing PLA (M31) This appropriation is limited to expenses incurred in connection with administering borrowing by the Crown, as authorised by section 61(1) of the Public Finance Act 1989.	5,526	(295)	5,231
Administration of Derivative Transactions PLA (M31) This appropriation is limited to expenses incurred in connection with administering derivative transactions of the Crown, as authorised by section 65H(2) of the Public Finance Act 1989.	1,258	(166)	1,092
Administration of Guarantees and Indemnities given by the Crown PLA (M31) This appropriation is limited to expenses incurred in connection with administering of guarantees and indemnities given by the Crown, as authorised by section 65ZG of the Public Finance Act 1989.	4,440	2,111	6,551
Administration of Investment of Public Money PLA (M31) This appropriation is limited to expenses incurred in connection with administering the investment of public money, as authorised by section 65J(1) of the Public Finance Act 1989.	320	483	803
Crown Guarantee Schemes (M31) This appropriation is limited to the implementation and operation of the Crown's Deposit Guarantee Scheme and Crown's Wholesale Funding Guarantee Facility excluding expenses incurred in connection with administering claims under a guarantee or indemnity given under the scheme.	3,717	(978)	2,739
Establishment and Monitoring Crown Investment in AMI (M31) This appropriation is limited to the negotiation and establishment of the Crown's investment in AMI and the ongoing monitoring of that investment.	-	1,650	1,650
Establishment of the New Zealand Productivity Commission (M31) This appropriation is limited to the establishment costs of the New Zealand Productivity Commission.	1,200	(555)	645
Infrastructure Advice and Co-ordination (M80) This appropriation is limited to the provision of advice to the government and to government agencies on infrastructure, ensuring co-ordination and implementation of the government's infrastructure activities, the formulation and implementation of the National Infrastructure Plan, monitoring of infrastructure investment and frameworks, and operation of the National Infrastructure Advisory Board.	4,799	25	4,824
Macro Economic Policy Advice & Management MCOA (M31)	14,910	(1,060)	13,850
<i>Economic and Tax Forecasting</i> This output class is limited to the preparation of economic and tax forecasts, and monitoring of and reporting on economic and tax conditions.	2,691	(210)	2,481
<i>Fiscal Management</i> This output class is limited to the development of the Budget strategy and advice, and activities of the annual Budget process.	3,290	(962)	2,328

	2010/11		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Fiscal Reporting</i> This output class is limited to preparing fiscal forecasts, monitoring of and reporting on fiscal conditions, preparing the financial statements of the Government, providing advice on the application and development of generally accepted accounting practice as it applies to the Crown, and monitoring the adequacy of departmental financial management controls.	3,588	(506)	3,082
<i>Management of Crown Lending and Crown Bank Accounts</i> This output class is limited to the management of Crown lending and Crown and Departmental bank accounts.	540	12	552
<i>Policy Advice: Fiscal and Macroeconomic</i> This output class is limited to the provision of fiscal and macroeconomic policy advice.	4,801	606	5,407
State Sector and Economic Performance Policy Advice and Management MCOA (M31)	34,271	(870)	33,401
<i>Management of Liabilities, Claims Against the Crown and Crown Properties</i> Management of contractual or Treaty of Waitangi related claims against the Crown and the management of New Zealand House, London.	1,922	(1,269)	653
<i>New Zealand Export Credit Office</i> Implementation of the Government's Export Credit Guarantees policy and operation of the New Zealand Export Credit Office.	3,631	(376)	3,255
<i>Policy Advice: Economic Performance</i> Policy advice on the Government's economic strategy and policy settings and their effect on New Zealand's economic growth.	14,875	970	15,845
<i>Policy Advice: State Sector Performance</i> Policy advice on the effective and efficient use of state resources including improved decision-making and performance management systems and the efficient management of Crown assets.	13,843	(195)	13,648
Total Departmental Output Expenses	70,441	345	70,786
Non-Departmental Output Expenses			
2025 Productivity Taskforce (M31) This appropriation is limited to the fees and expenses of members of the Taskforce appointed to carry forward work on the productivity gap with Australia, and the fees and expenses for any other advice that the Taskforce may commission.	81	67	148
Enquiries, Reviews and Research Into Productivity Matters (M31) This appropriation is limited to enquiries, reviews and research into productivity related activities.	655	(655)	-
Inquiries and Research into Productivity Related Matters MCOA (M31)			
<i>Inquiries into Productivity - Related Matters</i> This output class is limited to inquiries undertaken by the New Zealand Productivity Commission in accordance with the New Zealand Productivity Commission Act 2010.	-	1,210	1,210
<i>Research into and Promotion of Productivity - Related Matters</i> This output class is limited to the New Zealand Productivity Commission undertaking research into and promoting public understanding of productivity related matters in accordance with the New Zealand Productivity Commission Act 2010.	-	1,160	1,160
	-	50	50
Management of New Zealand House, London (M31) This appropriation is limited to the property management services in respect of New Zealand House, London.	1,000	(400)	600

	2010/11		
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Titles and Scopes of Appropriations by Appropriation Type			
Non-Departmental Output Expenses – cont'd			
Management of the Crown's Obligations for Geothermal Wells (M31)	151	60	211
This appropriation is limited to the management and maintenance relating to geothermal wells and associated sites and structures for which the Crown accepts responsibility.			
Management of the New Zealand Superannuation Fund (M31)	516	(166)	350
This appropriation is limited to managing the New Zealand Superannuation Fund on behalf of the Crown.			
Total Non-Departmental Output Expenses	2,403	116	2,519
Non-Departmental Borrowing Expenses			
Debt Servicing PLA (M31)	3,058,421	(26,683)	3,031,738
This appropriation is limited to the payment of borrowing expenses for the Crown's New Zealand-dollar and foreign-currency debt, authorised by section 60(1)b of the Public Finance Act 1989.			
Total Non-Departmental Borrowing Expenses	3,058,421	(26,683)	3,031,738
Non-Departmental Other Expenses			
Additional Payments to Facilitate Full Payout under the Crown Retail Deposit Guarantee Scheme (M31)	-	150,000	150,000
This appropriation is limited to payments under the Crown Retail Deposit Guarantee Scheme additional to those covered by the PLA required to facilitate full payout. This includes payments to ineligible investors in entities which default under the Deed of Guarantee up to 12 October 2010 plus a contingency to ensure that payments to the Trustee cover the full costs of paying out all debenture holders.			
Costs in respect of Guarantees and Indemnities PLA (M31)	-	1,547,116	1,547,116
This appropriation is limited to payments by the Crown under a guarantee or indemnity given under section 65ZD of the Public Finance Act 1989, as authorised by section 65ZG of that Act.			
Crown Residual Liabilities (M31)	230	-	230
Residual obligations arising from administration of the Crown's sale and purchase agreements with SOEs and Crown entities and from the sale of Crown investments, and for the settlement of claims against the Crown arising from exposure to asbestos.			
Earthquake Commission (M31)	-	141,100	141,100
This appropriation is limited to the remediation of residential land that was damaged in the 2010 Canterbury earthquake to a higher standard than required by the Earthquake Commission Act.			
Earthquake Commission - Land Insurance Payments (M31)	-	5,000	5,000
This appropriation is limited to insurance payments to the owners of damaged land in the Canterbury region where the cost of land remediation is greater than the insured value of the land.			
Geothermal Wells Fund (M31)	500	-	500
This appropriation is limited to meeting the costs of one-off unforeseen events relating to those geothermal wells for which the Crown accepts responsibility.			
Government Superannuation Appeals Board (M31)	50	-	50
This appropriation is limited to the expenses of the Government Superannuation Appeals Board in performing its functions under the Government Superannuation Fund Act 1956.			
Government Superannuation Fund Authority - Crown's Share of Expenses PLA (M31)	23,760	1,000	24,760
This appropriation is limited to the Crown's share of the expenses of the Government Superannuation Fund Authority relating to the management and administration of the Government Superannuation Fund and the schemes, authorised by sections 15E and 95 of the Government Superannuation Act 1956.			

	2010/11		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Government Superannuation Fund Unfunded Liability PLA (M31) This appropriation is limited to the net increase (excluding actuarial gains and losses) in the Crown's liability to the Government Superannuation Fund and the specified superannuation contribution withholding tax on employer contributions by the Crown, authorised by section 95AA of the Government Superannuation Act 1956.	684,117	(54,989)	629,128
GST Compensation for Government Superannuation Fund and National Provident Fund recipients (M31) This appropriation is limited to compensation for recipients of the Government Superannuation Fund and the National Provident Fund due to increases in GST between 1 October 2010 and 27 April 2011.	10,000	-	10,000
Impairment of Crown's interest in AMI (M31) This appropriation is limited to the impairment of equity investment in AMI.	-	500,000	500,000
Impairment of Loans to Taitokerau Forest Limited (M31) This appropriation is limited to the expense incurred on the impairment of new loans to Taitokerau Forests Limited.	800	700	1,500
National Provident Fund - Crown liability for Scheme Deficiency PLA (M31) This appropriation is limited to the Crown's liability for deficiency in the accounts of National Provident Fund schemes established pursuant to section 38A(6) of the National Provident Fund Act 1950, authorised by section 72 of the National Provident Fund Restructuring Act 1990.	-	16	16
National Provident Fund Schemes - Liability Under Crown Guarantee PLA (M31) This appropriation is limited to the net increase (excluding actuarial gains and losses) in the Crown's liability for benefits payable to members of National Provident Fund schemes under the Crown guarantee in section 60 of the National Provident Fund Restructuring Act 1990. This appropriation is authorised by section 66 of the National Provident Fund Restructuring Act 1990.	60,000	(1,300)	58,700
New Zealand House, London (M31) This appropriation is limited to the operational costs of New Zealand House, London.	16,200	(1,500)	14,700
Payment in respect of Export Credit Office Guarantees and Indemnities PLA (M31) This appropriation is limited to payments by the Crown under export credit guarantees or indemnities given under Section 65ZD of the Public Finance Act 1989, as authorised by section 65ZG of that Act.	-	186	186
Taitokerau Forests Limited Grant (M31) This appropriation is limited to grants to Taitokerau Forests Limited for on-payment to forest owners, payable upon harvest of the forests.	200	269	469
Unclaimed Money PLA (M31) This appropriation is limited to the repayment of money authorised by section 74(5) of the Public Finance Act 1989.	250	-	250
Unclaimed Trust Money PLA (M31) This appropriation is limited to the repayment of money authorised by section 70(2) of the Public Finance Act 1989.	250	-	250
Total Non-Departmental Other Expenses	796,357	2,287,598	3,083,955
Departmental Capital Expenditure			
The Treasury - Capital Expenditure PLA (M31) This appropriation is limited to the purchase or development of assets by and for the use of the Treasury, as authorised by section 24(1) of the Public Finance Act 1989.	1,375	82	1,457
Total Departmental Capital Expenditure	1,375	82	1,457

Titles and Scopes of Appropriations by Appropriation Type	2010/11		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Non-Departmental Capital Expenditure			
AMI Equity Injection (M31) This appropriation is limited to the purchase of equity in AMI.	-	500,000	500,000
Asian Development Bank PLA (M31) This appropriation is limited to capital expenditure by New Zealand as a member of the Asian Development Bank Agreement, authorised by section 3 of the International Finance Agreements Amendment Act 1966.	71,000	(5,875)	65,125
International Financial Institutions PLA (M31) This appropriation is limited to capital expenditure for shares subscribed to by New Zealand as a member of International Financial Institutions, authorised by section 5 of the International Finance Agreements Act 1961.	-	148,000	148,000
Landcorp Protected Land Agreement (M31) Purchase (including by reinvesting cash dividends) of redeemable preference shares in Landcorp under the Protected Land Agreement.	17,347	9,700	27,047
Loan in Respect to Guarantees and Indemnities for the Crown Retail Deposit Guarantee Scheme (M31) This appropriation is limited to a loan in respect of guarantees and indemnities for the Crown Retail Deposit Guarantee Scheme in Vote Finance.	-	175,000	175,000
New Zealand Productivity Commission Capital (M31) This appropriation is limited to providing a capital injection to the New Zealand Productivity Commission.	500	-	500
Taitokerau Forests (M31) This appropriation is limited to the provision of loans to Taitokerau Forests Ltd for forest management and development.	800	700	1,500
Total Non-Departmental Capital Expenditure	89,647	827,525	917,172
Total Annual and Permanent Appropriations	4,018,644	3,088,983	7,107,627

Details of Projected Movements in Departmental Net Assets

The Treasury

Details of Net Asset Schedule	2010/11 Main Estimates Projections \$000	2010/11 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2010/11
Opening Balance	6,342	6,342	Supplementary Estimates opening balance reflects the audited results as at 30 June 2010.
Capital Injections	-	-	
Capital Withdrawals	(600)	(600)	Capital provided for the Treasury's accommodation project in 2003-2005 is being repaid to the Crown.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	5,742	5,742	